REMARKS

In the final office action mailed on December 26, 2003, applicant's claim for domestic priority under 35 U.S.C. §119(e) was denied; claims 1 - 26 were rejected under 35 U.S.C. §112, ¶1 and ¶2; claims 17 - 23 were rejected under 35 U.S.C. §112, ¶6; claims 25 - 26 were rejected under 35 U.S.C. §101; claims 1 - 26 were rejected under 35 U.S.C. §102(a), §102(b) and §102(e); and claims 1 - 26 were rejected under 35 U.S.C. §103(a).

As reflected in the Interview Summary, during the interview on February 10, 2003 applicant proposed submitting the affidavit of Dan Zehme (an executed copy of which is enclosed) and all rejections under 35 U.S.C. §112, and §119 were withdrawn. The position stated in the office action that the affidavit of David H. Sprogis dated November 27, 2002 does not support the date of conception of the invention (December 5, 1998) as claimed therein was also withdraw at the interview, and the §102 and §103 rejections over the following references were withdrawn: "Partnership Formed" from Screen Digest dated 07/1999; NCN Trademark Filing of DTDS dated 12/30/99; "Proxima and NCN" from Business Wire dated 6/25/1999; NCNInc.com background information dated 9/25/2002; and "Coming Soon to a Theatre Near You: Local Digital Ads" from MediaPost.com dated September 26, 2002; U.S. 2001/0044726 dated 11/2001. The prior art rejections with respect to the following additional non-patent prior art were also withdrawn: Cyberstar Press release dated 1998; "Movies get a chunk of ad dollars from the Miami Herald dated 01/25/87; and CineCast HD Internet Product summary dated 1998. Any rejection of the claims with respect to either US 6424988 (to Hunter) or US 6257982 (to Rider et al.) were also be withdrawn.

Also during the interview on February 10, 2003, the rejections under §102(a), 102(b) and 102(e) were withdrawn. The rejection of claims 25 - 26 under 35 U.S.C. §101 was maintained,

and the rejection of claims 1 - 26 under §103(a) was provisionally maintained pending a further review of the following references: US 5761601 (to Nemirofsky); US 5801754 (to Ruybal et al.); US 5983069 (to Cho et al.); US 6009465 (to Decker et al.); and US 6038367 (to Abecassis).

With regard to the §101 rejection of claims 25 and 26, applicant understands that this rejection is based on an un-published opinion of the USPTO Board of Patent Appeals and Interferences, Ex parte Eisner, Appeal No. 2000-1195 dated January 15, 2002; State Street Bank & Trust Co. v. Signature Fin. Group, Inc., 149 F.3d 1368, 47 U.S.P.Q.2d 1596 (Fed. Cir. 1998), cert. denied, 119 S.Ct. 851 (1999); and In re Alappat, 33 F.3d. 1526, 31 U.S.P.Q.2d 1545 (Fed. Cir. 1994).

In Ex parte Eisner, 2000-1195, the Board reversed a rejection under §101 of claims to an apparatus for predicting a sales probability for a sales account, and affirmed a rejection under §101 of claims to a method for predicting a sales probability for a sales account. The Board stated that its decision in Ex parte Eisner was "not written for publication and is not binding precedent on the Board" Id, p.1. (emphasis in original). The rejection of the method claims was affirmed on the grounds that the method claims were not limited to a computer software program application and could, therefore, read on a human performing each of the recited steps. The Board cited State Street and AT&T Corp. v. Excel Communications, Inc., 172 F.2d 1352, 50 U.S.P.Q.2d 1447 (Fed. Cir. 1998), cert. denied, 528 U.S. 946 (1999) in support of its decision.

Even if the Board's decision in Ex parte Eisner were consistent with the decision of the Court of Appeals for the Federal Circuit in State Street, which applicant strongly denies, the method claims 25 and 26 in the present application as amended herein are clearly limited to a method of providing advertisement information to an audience, and includes *inter alia*, the steps of providing a computer storage medium for storing advertisement information regarding a

plurality of advertisements, and selecting from said computer storage medium a subset of the advertisement information responsive to the common interest data.

Moreover, there is no support in State Street or AT&T or In re Alappat for the proposition that a method claim is *per se* non-statutory if it recites steps that may be performed by a human, even if all of the steps are to be performed by a human. The decision in Ex parte Eisner, therefore, cannot be relied upon to support a rejection of claims 25 and 26, and in any event claim 25 is further amended herein to recite a computer storage medium.

With regard to the §103 rejections and as discussed during the personal interview, applicant submits that it is an objective of advertising generally to reach as many interested consumers as possible. This may conventionally be achieved by broadcast advertising that indiscriminately broadcasts many different ads to many persons, on the theory that interested consumers will pay attention to the ads that are primarily directed toward them (e.g., many-to many-advertising). It is believed that advertisements are more effective when they are designed to be directed toward a particular type of consumer and delivered to those consumers. Such many-to-many advertising, however, delivers such advertisements to a wide range of persons that may or may not include a substantial number of persons toward whom the advertisements are designed to be directed.

Other more recently developed advertisement systems involve systems wherein an individual consumer may request information regarding a particular product (e.g., one-to-one advertising). Although one-to-one advertising is significantly more targeted than many-to-many advertising, far fewer consumers are likely to be conveniently and economically reached.

The present invention provides a powerful form of targeted advertising that permits an advertiser to reach many interested consumers with each advertisement, e.g., one-to-many advertising.

The Nemirofsky et al. reference discloses a system and method for distributing advertisements to retail stores that are distributed over a wide geographic area. In the disclosed systems, both network-wide programs and market-specific segments are distributed to all of the stores. At each store, a switch may be set that permits the video monitor in the store to show either the network-wide program or the market-specific segment. Although the systems of Nemirofsky et al. provide many-to-many advertising and a possibility of one-to-many advertising, there is insufficient certainty that each of the individuals in any particular retail store may have enough in common at one time to provide the type of one-to-many advertising that is an objective of the present invention. It is unlikely that a large number of consumers will gather around a particular screen display for any period of time, which limits the both the volume of advertisements that may be run and number of consumers that may be exposed to the advertisements. Applicant submits that such geographically targeted retail store advertising is insufficient to obtain the desired level of targeting that is possible with systems of the invention that target advertisements based on movie show schedule information and movie information.

Applicant's system and method of providing targeted advertising not only provides substantial one-to-many advertising, but the consumers to whom the advertisements are directed have their attention already directed toward the screen on which the advertisements will be displayed. This provides very effective one-to-many advertising. Unlike a retail store where a consumer may be required to stop walking along an isle in a retail store to watch a full advertisement, in the setting of applicant's invention, a consumer may be required to get up from their seat, turn away and possibly leave the theatre to avoid seeing any particular advertisement. For at least these reasons, the systems and methods of applicant's invention are not rendered obvious by any of the cited references in any combination.

Moreover, the retail stores of Nemirofsky et al. are presumably in generally fixed locations, and the geographical targeting is, therefore, largely static. In contrast, as claimed in claim 1, applicant's invention provides for the selection of certain stored data (e.g., advertisements) responsive to movie show schedule information. Such movie show schedule information may be dynamic, changing as movies change, show times change, and even the screens within a theatre on which particular movies are shown change (e.g., from a large screen to a small screen as the length of a run of a movie at a theatre increases). Also, the movie show schedule information may become available only a relatively short period of time prior to a showing. There is no disclosure, teaching or suggestion of such a dynamic system in the Nemirofsky et al. reference.

Further, as claimed in independent claim 1, the system requires a controller for selecting certain stored data for transmission to a first digital projector assembly responsive to movie show schedule information. The Nemirofsky et al. reference does not select certain data for transmission responsive to target data, but rather sends both network-wide data and market-specific data to each retail store. As claimed in independent claim 9, the system includes a processing unit that is adapted to provide a first portion of data responsive to first theatre scheduling information regarding a movie that is to be shown at the first theatre. As claimed in independent claim 15 the method includes the step of selecting certain stored data for transmission to a first digital projector assembly responsive to movie identification information. As claimed in independent claim 17 the system includes selection means for selecting a subset of the advertisement information responsive to the common interest information. As claimed in independent claim 25 (as further amended herein) the method includes the step of selecting from the computer storage medium a subset of advertisement information responsive to common interest data.

The Ruybal et al. reference discloses an interactive theatre system in which events such as business meetings or conferences may be conducted live with theatre audiences throughout the network. Although audience input is permitted via for example, wireless keypads or two-way radio communication or video return signals, there is no disclosure of the selection of certain data responsive to any common interest data. The disclosed interactive theatre conference system provides all video information to all of the theatres. There is, therefore, no disclosure, teaching or suggestion in Ruybal et al. of the automatic selection of certain data responsive to any common interest data as claimed in each of independent claims 1, 9, 15, 17 and 25.

The Cho et al. reference discloses a video distribution system for distributing advertisements to displays in stores. The advertisements are all received at each store and later re-broadcasted to monitors within each store. Although the system permits users located at each store to customize video programs for particular target audiences or markets, the systems of Cho et al. suffer the same shortcomings of Nemirofsky et al., namely that geographic targeting in retail stores is insufficient to obtain the desired level of targeting that is possible with systems of the invention that target advertisements based on movie show schedule information and movie information. The use of movie show schedule information and movie information is submitted to be far more indicative of selected common interests that simply geographic targeting at retail stores because movie information and movie shown schedule information movie selection and time of day selection and first run information all convey a great deal of selected interest information regarding a particular audience. Moreover, as discussed above with reference to the Nemirofsky et al. reference, the interest of the viewers in a retail store must be maintained so that the viewers do not continue walking and avoid hearing the full advertisement. Conversely, with systems and methods of the present invention, viewers are generally seated in theatres and might

be required to get up, turn away or even leave the theatre to avoid seeing a full advertisement. Further, the Cho et al. reference includes no disclosure, teaching or suggestion of the automatic selection of certain data responsive to any common interest data as claimed in each of independent claims 1, 9, 15, 17 and 25.

The Decker et al. reference discloses a video delivery system for hotels in which video information is delivered from a hotel office to hotel rooms. Not only is there no disclosure of advertising data being sent to the hotel rooms, but the providing of video information is at best analogous to one-to-one advertising since each movie is selected for each room based on a movie request that originates from a person in each room. The Decker et al. reference also includes no disclosure, teaching or suggestion of the automatic selection of certain data responsive to any common interest data as claimed in each of independent claims 1, 9, 15, 17 and 25.

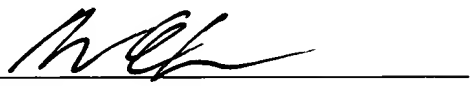
The Abecassis reference discloses a video system in which customized versions of movies may be selected and arranged responsive to requests by an individual viewer according to rating segments. Similar to the Decker et al. reference, not only is there no disclosure of advertising data being sent to each viewer, but the providing of video information is at best analogous to one-to-one advertising since each segmented movie is selected based on movie segments that are requested by each viewer. The Abecassiss reference also includes no disclosure, teaching or suggestion of the automatic selection of certain data responsive to any common interest data as claimed in each of independent claims 1, 9, 15, 17 and 25.

Applicant submits, therefore, that none of the references of record disclose, teach or suggest a system or method for achieving one-to-many advertising by selecting certain stored advertisement data responsive to movie information or movie shown schedule information as claimed in each of independent claims 1, 9, 15, 17 and 25. Again, it is the use of movie

information and movie show schedule information that provides the necessary targeting to achieve effective one-to-many advertising.

Applicant respectfully urges that each of claims 1 - 26 is in condition for allowance. Favorable action consistent with the above is respectfully requested.

Respectfully submitted,



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